

## **Head 274 – Anuradhapura District Secretariat**

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### **1. Financial Statements**

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#### **1.1 Audit Opinion**

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The audit of the financial statements of the Anuradhapura District Secretariat Office for the year ended 31 December 2018 comprising the statement of financial position as at 31 December 2018 and statement of financial performance, and cash flow statement for the year then ended, was carried out under my direction in pursuance of provisions in Article 154(1) of the Constitution of the Democratic Socialist Republic of Sri Lanka read in conjunction with provisions of the National Audit Act No. 19 of 2018. The Summary Report that includes my comments and observations regarding the financial statements of the Anuradhapura District Secretariat Office was issued to the Accounting Officer on 28 May 2019 in accordance with the Section 11(1) of the National Audit Act No. 19 of 2018. The Annual Detailed Management Audit Report of the Anuradhapura District Secretariat Office was issued to the Accounting Officer on 30 June 2019 in accordance with the Section 11(2) of the National Audit Act No. 19 of 2018. This report to Parliament in pursuance of provisions in Article 154 (6) of the Constitution of the Democratic Socialist Republic of Sri Lanka read in conjunction with Section 10 of the National Audit Act No. 19 of 2018 will be tabled in due course.

In my opinion, the accompanying financial statements give a true and fair view of the financial position of the Anuradhapura District Secretariat Office as at 31 December 2018, and of its financial performance and its cash flows for the year then ended in accordance with Generally Accepted Accounting Principles.

#### **1.2 Basis for Opinion**

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I conducted my audit in accordance with Sri Lanka Auditing Standards (SLAuSs). My responsibilities, under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

#### **1.3 Responsibility of the Chief Accounting Officer and the Accounting Officer for the Financial Statements**

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The Chief Accounting officer and the Accounting Officer is responsible for the preparation of financial statements that give a true and fair view in accordance with Generally Accepted Accounting Principles and provisions of the Section 38 of the National Audit Act No. 19 of 2018, and for such internal control as management determine is necessary to enable the

preparation of financial statements that are free from material misstatement, whether due to fraud or error.

As per Section 16(1) of the National Audit Act No. 19 of 2018, the District Secretariat Office is required to maintain proper books and records of all its income, expenditure, assets and liabilities, to enable annual and periodic financial statements to be prepared of the District Secretariat Office.

The Chief Accounting Officer and Accounting Officer should ensure the establishment and maintenance of an effective internal control system for the financial control of the District Secretariat Office in accordance with the Sub Section 38(1) (c) of the National Audit Act whereas carryout periodic reviews to monitor the effectiveness of that system and accordingly make any alterations as required for such systems to be effectively carried out.

#### **1.4 Auditor's Responsibility of the Audit of the Financial Statements**

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My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's summary report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Sri Lanka Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Sri Lanka Auditing Standards, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District Secretariat Office's internal control.
- Evaluate the structure and the content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Include the structure and the content of the financial statements, in presenting the financial statements as a whole, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with Accounting Officer regarding, among other matters, significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

## 1.5 Report on Other Legal Requirements

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I express the following facts according to the Section 6(d) of the National Audit Act No. 19 of 2018.

- It could not be expressed that the financial statements presented is consistent with the preceding year as there was no such requirement of preparing financial statements by Anuradhapura District Secretariat Office.
- It was not presented the recommendations regarding the financial statements as there was no such requirement of preparing financial statements by Anuradhapura District Secretariat Office.

## 1.6 Comments on the Financial Statements

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### 1.6.1 Accounting Deficiencies

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#### Non-maintenance of Registers and Books

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The following observations are made.

Observation	Recommendation	Comments of the Accounting Officer
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(a) Fixed Asset Register on Computers, Components and Software		
----- A Fixed Asset Register on Computers, Components and Software had not been maintained according to the Treasury Circular No. IAI/2002/02 dated 28 <sup>th</sup> November 2002.	It is required to take actions to comply with the Circular.	It had not been provided answers.
(b) Register for Received Cheques, Money Orders etc.		
----- A Register for Received Cheques,	It is required to take actions	Registers are being

Money Orders etc. had not been maintained according to the Financial Regulation No.451. to comply with the updated provisions of Financial Regulation No. 451.

## 2. Financial Review

### 2.1 Utilization of Provisions made available by Other Ministries and Departments

Provisions totalling Rs.4,659 million had been made during the year under review for the District Secretariat Office by 26 Ministries, 19 Departments and 01 Office for various activities amounting to Rs.4,300 million, Rs.244 million and Rs.115 million respectively. Out of the provisions made to the District Secretariat Office, it had been saved 9.6 per cent provisions which the value was Rs.450 million due to utilization of only sum of Rs.4,209 million provisions as at the end of the year under review. The following observations are made.

Observation	Recommendation	Comments of the Accounting Officer
(a) A sum of Rs.121,817,000 made available by the Ministry of Justice had not been utilized during the year under review.	It is required to prepare a suitable programme in order to accomplish during the year after including the plans to the Annual Action Plan which required to effective utilization of the provisions received from other ministries and departments.	It could not be utilized completely due to the deficit of imprest remained in the last month of year 2018. Therefore, these savings of provisions could be happened and these payments have been made in the year 2019 as bills of hand.
(b) It had been utilized less than 50 per cent out of the provisions made available by the Ministry of Industry and Commerce, Ministry of Megapolis and Western Development and Director General of Information.	It is required to prepare a suitable programme in order to accomplish during the year after including the plans to the Annual Action Plan which required to effective utilization of the provisions received from other ministries	It could not be utilized completely due to the deficit of imprest remained in the last month of year 2018. Therefore, these savings of provisions could be happened and these payments have been made in the year 2019 as bills of hand.

and departments.

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| <p>(c) It had been saved a sum of Rs.4,036,611 out of the Capital provisions of Rs.4,360,900 made available by the Ministry of Social Welfare and Primary Industries Development.</p> | <p>It is required to prepare a suitable programme in order to accomplish during the year after including the plans to the Annual Action Plan which required to effective utilization of the provisions received from other ministries and departments.</p> | <p>It could not be utilized completely due to the deficit of imprest remained in the last month of year 2018. Therefore, these savings of provisions could be happened and these payments have been made in the year 2019 as bills of hand.</p> |
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## 2.2 Advance Accounts Balances

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The following observations are made.

Observation	Recommendation	Comments of the Accounting Officer
<p>(a) Aggregated loan balances outstanding from officers who had been interdicted were Rs.1.97 million and out of that balance, a sum of Rs.1.5 million of loan balances were outstanding more than 05 years.</p>	<p>It is required to take actions to recover related loan balances immediately.</p>	<p>Various actions are being taken to recover each loan balances</p>
<p>(b) Actions had not been taken in the year under review to recover and settle loan balances of Rs.60,418 even though they are outstanding for over a period of 05 years from two officers who had been transferred to provincial councils.</p>	<p>It is required to take actions to recover related loan balances immediately.</p>	<p>It had not been commented</p>
<p>(c) It had been failed to recover loan balances of Rs.61,335 as at 31 December 2018 even though they are outstanding for over a period of 02 years from a officer who had been vacated from the service.</p>	<p>It is required to take actions to recover related loan balances immediately.</p>	<p>It had not been commented</p>

### 2.3 Certifications which should be made by the Accounting Officers

Observation	Recommendation	Comments of the Accounting Officer
The Chief Accounting Officer should ensure the establishment and maintenance of an effective internal control system for the financial control of the District Secretariat Office whereas carryout periodic reviews to monitor the effectiveness of such systems and accordingly make any alterations as required for such systems to be effectively carried out, make written reviews and a copy of it required to be submitted to the Auditor General, Such Statements relating to carry out of the reviews had not been presented to the Audit.	It is required to be comply with the provisions of Section 38 of the National Audit Act No. 19 of 2018	It had not been commented

### 2.4 Non-compliance with Laws, Rules and Regulations

Instances of non-compliance with the provisions in laws, rules and regulations observed during the course of sample audit tests are analysed below.

Reference to Laws, Rules and Regulation	Value	Non-compliance	Recommendation	Comments of the Accounting Officer
	Rs.			
(a) Financial Regulation No.165.2(a)	538,200	A sum of Rs. 538,200 of 48 elders' allowances money orders which were returned by Post Offices to 02 Divisional Secretariat Offices without paying had not been entered in the Register of Money Orders.	It is required to act as Financial Regulation No.165.2(a)	A sum of Rs. 306,400 of money orders had not been entered in the Register of Money Orders mentioned in the Audit Query whereas it has been started to record in that register.
(b) Financial Regulation No.316		61 Voucher books given to the Pregnant Mothers	It is required to act as Financial Regulation No.316.	It has been taken actions to kept Nutrition Allowances

which of them each worth of Rs. 20,000 had not been recorded in a register and kept under the safety conditions in the Horowpothana Divisional Secretariat Office.

Voucher Books in a Cupboard with the safety conditions and advised to take them out only when they were required.

(c) Supplementary 21 of the Procurement Guideline and Letter No. PFP/PMDGEN/003 dated 29 May 2014 of the Director General of Public Finance.

It had been segregated the estimate of the Diyathithhawewa Aluth Gammana water project contract into 03 stages of Horowpothana Divisional Secretariat Division which the estimate was Rs.5,401,935 and offered them to the Community Organizations to the Estimated values.

It is required to construct the relevant project under the competitive bidding according to the Letter No. PFP/PMDGEN/003 of the Director General of Public Finance.

I agree. It had been segregated this contract into 03 stages according to the paragraph 4.4.2(a) of the Procurement Guideline.

(d) Circular No.1/2016 dated 12 January 2016 of the Secretary of the Ministry of Social Empowering and Welfare.

It had not been maintained a Register for Unpaid Elders' Allowances by the Horowpothana Divisional Secretariat Office.

It is required to act according to the advices in the circular.

I agree. It had been taken actions to hand over relevant money orders to the shroff after recording it in the General 118 Form by the subject officer.

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| (e) | Circular<br>2016/05<br>Divineguma<br>Director<br>General.                    | No. 2,955,000<br>of | It had been considerably delayed in paying of benefits to 197 beneficiaries relevant to 06 Divisional Secretariat Offices though the benefits should be paid immediately before ending the funeral activities of a death of the beneficiaries of the Social Protection   | It is required to act according to the advices in the circular. | All Divisional Secretariats has been informed that it should be paid the money for death benefits without delays by the letter no.ANU/DS/2/16/1/52 and dated 07 March 2019. |
| (f) | Circulars<br>2016/03<br>and<br>2017/06<br>Divineguma<br>Director<br>General. | No.<br>and<br>of    | Scholarship allowances of Galenbindunuwewa, Mihintale and Palagala Divisional Secretariat Offices had been paid with a delay from 01 month to 02 years though the scholarship funds should be paid immediately relating to the Divineguma Sipdora scholarship Programme. | It is required to act according to the advices in the circular. | The due payments had not been settled due to delays in recommendations based on various reasons. But, it has been corrected in the present.                                 |



## 2.5 Transactions of Fraudulent Nature

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Observation	Recommendation	Comments of the Accounting Officer
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It has been allocated provisions of Rs. 205,000 for the project of providing of laptop computers to the Uddiyankulama Sri Mihindu Dhamma School in the Galenbindunuwewa Divisional Secretariat Division under the provisions of 2017 District Decentralized Budget. It has been used 03 laptop computers purchased at Rs.199,500 for the personal use of the officers of the office of the member of the parliament who made available of the provisions to the project and the teacher in charge of the relevant dhamma school by collusion.	It is required to strengthen the internal control system required to fulfil the expected aims of the projects which were carried out by the provisions of the Decentralized Budget.	The 03 laptop computers have been handed over by the Mrs. Vimalawathi who is the Teacher in charge of the Dhamma School to the Divisional Secretariat Office and those computers are now in active conditions. But, if there will be generated any technical error during the warranty period again, the expenses for repairing should be charged from the Teacher in charge of the Sri Mihindu Dhamma School Mrs. Vimalawathi as she was informed about it by the Divisional Secretariat.

## 3. Operating Review

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### 3.1 Projects Inconsistent with Core Functions

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Observation	Recommendation	Comments of the Accounting Officer
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A sum of Rs.11.26 million had been spent on reconstruction of the general roads in 03 Divisional Secretariat Divisions which do not have the risk for happening disasters or had not been faced disasters out of the provisions made available for the implementation of the projects which reduces the disasters	The provisions received for reducing disasters should be used for implementation of the relevant projects by recognizing them in related to the areas which faced disasters.	These all projects were implemented after the discussions at the Divisional Secretariat Divisions with the cardinality of District Disaster Management Centre and Divisional Secretariats and the participation of all Grama Niladari Officers and Development Officers of each division and it was highly considered the observations of those officers and field observations while considering the proposals are within those divisions.

### 3.2 Expected Outcome not Achieved

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The following observations are made.

Observation -----	Recommendation -----	Comments of the Accounting Officer -----
(a) A well had been constructed for a sum of Rs.1,039,947 in order to implement a water project at Diyathithawewa Aluth Gammanaya in the Horowpothana Divisional Secretariat Division. The expected objectives of this project had not been fulfilled due to being not in a standard condition to drink the water in the constructed well.	It is required to implement only the projects which can be carried out after evaluating the productivity of the projects based on a feasibility study before embarking the projects.	It is accepted the observations mentioned by the Audit.
(b) It had been spent a sum of Rs.6.35 million expenses in years of 2015 and 2016 for construction of the Fish Stalls Complex at the Anuradhapura Public Fair premise. The following observations are made relating this construction. <ul style="list-style-type: none"> <li>• The approval of Urban Development Authority had not been taken for this construction.</li> <li>• This construction was not in line with expected plans and the standards of engineers</li> <li>• The public fair was not in line with requirements of the community.</li> <li>• These shop stalls complex had been demolished completely without obtaining any use.</li> </ul>	It is required to implement only the projects which can be carried out after evaluating the productivity of the projects based on a feasibility study before embarking the projects.	The construction of the 16 shop stalls proposed as fish market started as a proposal of the municipal council of Anuradhapura and according to the letter of the Anuradhapura Urban Commissioner dated 07 January 2016, it is informed me that the shop stalls constructed earlier will be converted to the fish stalls in year 2017.

### 3.3 Projects abandoned without Completing

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The following observations are made.

Observation -----	Recommendation -----	Comments of the Accounting Officer -----
(a) The Drinking Water Project of Muriyakadawala No 187 Division in Galenbindunuwewa Divisional	It is required to implement the project immediately after obtaining facilities	The Drinking Water Project of Muriyakadawala No 187 Division in this Divisional Secretariat

Secretariat Division has not been implemented though a sum of Rs.1,500,000 of provisions made available under the Rural Infrastructure Development Special Programme of 2017. from the discussion with the Ceylon Electricity Board. Division could not be implemented due to non-existence of electricity power to the proposed area to construct the project.

- (b) Even though it had been spent a sum of Rs.85,395 for the construction of the ground park near the Railway Station of Awkana in the Galnewa Divisional Secretariat Division, that project had been abandoned without completing due to prohibition of the constructions in the railway reservation area by the Department of Railway. It is required to implement the projects after recognizing the ability to construct by conducting a feasibility study. It was unable to complete this project due to delay of giving required approval from the Department of Railway during the year 2018. Therefore, the approval has been received to implement this project as a continuation for the year 2019.

### 3.4 Delays in the execution of Projects

The following observations are made.

Observation	Recommendation	Comments of the Accounting Officer
(a) The contract has been offered to a construction institute for a contract sum of Rs.6,690,758 during the year 2017 to complete the balance work of Thambuththegama Cultural Centre which had been completed partly before 2017. The project has been ended with 50 per cent completed 15 work items and completely abandoned 17 work items mentioned in the estimate relevant to the agreement. However, the projects had not been completed up to the condition which can be used as at 31 December 2018.	It is required to plan to complete during a specific period after obtaining provisions according to the stages implemented whereas preparation of Total Cost Estimate for the entire project according to the paragraphs of 4.3.1 and 4.3.2 of the Procurement Guideline.	Constructions were completed during the year 2018 according to the provisions made available in the year 2018 whereas these changes were made based on the technical requirement in implementing the project. The estimates of the project are being prepared to complete the works. It will be taken actions to complete the project works during the year 2019.

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| <p>(b) A sum of Rs.18,774,614 expenses had been incurred to construct the water tank and lay pipes of the Ashwayabendiwewa Drinking Water Project in Galenbindunuwewa Divisional Secretariat Division. The requirement of drinking water supply facility had not been fulfilled as at 31 December 2018.</p> | <p>It is required to plan to complete during a specific period after obtaining provisions according to the stages implemented whereas preparation of total cost estimate for the entire project according to the paragraphs of 4.3.1 and 4.3.2 of the Procurement Guideline.</p> | <p>An inquiry is being conducted by the Internal Audit Section regarding Ashwayabendiwewa Water project whereas it has been allocated a sum of Rs.2.99 million for this project during the year 2019. It had been planned to supply water to the beneficiaries in August 2019 as the defects had been adjusted yet by the Water Supply and Drainage Board.</p> |
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### 3.5 Projects not achieved a Progress though the Money had been released

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The following observations are made.

Observation	Recommendation	Comments of the Accounting Officer
<p>(a) It had been received a sum of Rs.50 million to the District Secretariat of Anuradhapura in order to construct the Drinking Water wells which should be established for the wells dried due to dry weather conditions in the North central Province. Out of that, only a sum of Rs.39.3 million provisions had been released to the Divisional Secretariat divisions for reconstruction of 1860 wells which need to be reconstructed whereas only 560 wells had been reconstructed at an expense of Rs.11.5 million due to the failure of implementing the projects according to the regular plan prepared before coming of rainy season after ending severe dry condition existed in the area.</p>	<p>It is required to implement the projects by planning to complete in a particular period and recognizing them with the rainfall condition of the area and experiences in previous years.</p>	<p>These provisions had been made by the Ministry of Irrigation and Water Resources Management on 11 September 2018. Accordingly, though those provisions had been released to the Divisional Secretariats, It could not be utilized 100 per cent provisions made available due to the raining conditions existed in October and November months. Further, this would be another reason for non-spending of these provisions due to fulfilment of water requirement with the start of the rainy season.</p>

- (b) Those Beneficiaries had not been received the Driving Licenses with the respective training though it had been paid a sum of Rs.100,000 to provide the Driving License to 10 beneficiaries of the Mihintale Divisional Secretariat Division. It is required to approve the beneficiaries name list after recognizing the unemployed beneficiaries. It has been focused to the Sri Lanka Transport Board 09 trainees named for 02 times and they were not participated regularly. Therefore, again 09 trainees has been presented as third time and they have started the training now.

### 3.6 Procurements

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The following observations are made.

Observation -----	Recommendation -----	Comments of the Accounting Officer -----
(a) It had been purchased a sum of Rs. 4,361,800 worth of 243 Electric Motors against the requirements of specifications mentioned in the Tender Documents under the project of Distribution of Agriculture Equipment in Anuradhapura District of Rural Economic Promotion Programme.	It should be made payments after obtaining certificates according to the Financial Regulation No. 237(a) while obtaining supplies to the specifications which the bidders who agreed to compare according to the specifications mentioned in the tender documents.	The FMRC Certificate of the Technical Report submitted has been prepared based on the information provided by the relevant supply institution and the expected specifications have been confirmed accordingly. Therefore, the payments were made to that company. But, it has been kept retention money of 5 per cent in paying them and it had not been released yet.
(b) It has been emerged a loss of Rs. 225,182 due to not purchasing from the Lowest Price Bidder who bids according to the expected specifications for 80 lecture hall chairs for the District Secretariat Office.	It is required to act as Procurement Guidelines	The lecture hall chairs had been purchased from the bidder who complied with the specifications and who supplied chairs with the suitability of hard use.

### 3.7 Assets Management

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The following observations are made.

Observation -----	Recommendation -----	Comments of the Accounting Officer -----
<p>(a) 15 government quarters owned by the District Secretariat had been given for the usage of officers in the North Central Provincial Council from more than 10 years period. The rents had not been charged by the District Secretariat from those quarters according to the provisions in the Paragraph 05 of the Chapter XIX of the Establishment Code. The control of these houses has been lost due to the internal control of acquiring possession had not been implemented by the District Secretariat even the occupying period of 05 years has been exceeded by those tenants. However, rates had been paid continuously by the District Secretariat for these quarters.</p>	<p>The rents should be charged according to the provisions in the Chapter XIX of the Establishment Code and the possession should be re-acquired according to the agreement between the District Secretariat and the tenant.</p>	<p>It had not been commented.</p>
<p>(b) There were not original copies of the certificates of registration of 05 vehicles of the District Secretariat Office.</p>	<p>It should be maintained a file of original copies of the certificates of registration of each vehicle</p>	<p>It had not been answered.</p>
<p>(c) It had not been taken actions to transfer the ownership to the District Secretariat Office even though the leasing term is over of 09 vehicles purchased for the District Secretariat Office under the leasing facilities.</p>	<p>The ownership should be transferred to the name of District Secretariat immediately after the leasing instalments were over.</p>	<p>It had not been answered.</p>

### 3.8 Management Weaknesses

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The following observations are made.

Observation -----	Recommendation -----	Comments of the Accounting Officer -----
(a) Actions had not been taken to settle the further due advance Money of Rs. 210,872 given in the year 2010 to the Horowpothana Multi-purpose Cooperative Society at end of the year under review.	It is required to be taken actions to charge immediately these advances due from the year 2010.	It had been taken actions to liquidate Horowpothana Multi-purpose Cooperative Society. Therefore, the North Central Provincial Cooperative Development Commissioner had been informed that this unsettled advance money will be settled by giving priority from the money received from liquidation.
(b) The following controlling weaknesses were observed at the Fire arms store in the District Secretariat Office.		
(i) There were 388 fire arms in the fire arms store of District Secretariat Office without documenting the details of received date to the store, reason for handing over and the fire arm number.	A Register should be maintained to recognize receipts, issues and the fire arms existed outside clearly.	A Register had not been maintained earlier before 23 October 2012 and information had been documented from that date. It had been informed to take actions to document the information of the fire arms in the store which had not been recorded yet during the next 03 months.
(ii) Even though there should be a balance of 203 fire arms from the fire arms assumed by the District Secretariat Office as at 30 <sup>th</sup> January 2019 according to the document maintained after the year of 2012, there were only 167 fire arms could be recognized as at the date of the audit test. Therefore, deficit of 36 fire arms were observed.	It is required to act as the advices given by the Ministry of Defence.	According to the Register maintained from 23 October 2012 for fire arms assumed to the Government, it had been recorded that there were 191 fire arms had been assumed and out of that 30 fire arms had been sold as they are suitable for use. Information related to 03 fire arms had been recorded twice.

- (iii) It could not be identified the reasons for storing 15 pistols and about 500 ammunitions in the fire arms store. It is required to act as the advices given by the Ministry of Defence. Those 15 pistols might be considered as handed over by the divisional secretariats which were issued in the war era to them. Further, 500 ammunitions also might be assumed as handed over by the divisional secretariats in that period.
- (iv) The licenses for 241 fire arms issued in the district had not been renewed annually according to the letter No. MOD/CTS/12/FA/14 and dated 11 September 2018 of Secretary to the Ministry of Defence. It is required to act as the advices given by the Ministry of Defence. The actions were taken to charge penalties in renewing the licenses in the year 2019. It will be taken actions during the next 03 months to renew the licenses in the year 2019 with charging penalties which were not renewed from the year 2016 to now after informing the relevant license holders.
- (c) The following construction administration weaknesses were observed in constructing the new building for Medawachchiya Divisional Secretariat Office.
- (i) The constructions had been completed as at 30 May 2018 of the Medawachchiya Divisional Secretariat Office Building which was completed by 04 stages from the year 2014 to year 2018 at a cost of Rs. 47.84 million. Though it had been exceeded more than one year period it could not be used for the public purpose due to not taking actions to obtain the electricity power to the building. It is required to arrange a system for using of the buildings which had been completed constructions as immediate as possible. It had to obtain a chartered electrical engineer certificate for all buildings in the premises not only for the relevant building when applying for a three pace electricity supply connection for the building. Therefore, it had to repair electrical circuit boards of the old building also. Now the above all activities had been completed and on 14 May 2019 the electricity supply has been given for the new building.



- (ii) It had been constructed using a different material which price is below 50 per cent than the material specified in the estimate for partitioning the building. However, The full estimated amount of Rs. 3,525,113 had been paid to the contractor ignoring the differences done without an analysis of prices between the materials which should be used and which were used for the partitions.
- The Project Engineer should be certified that the constructions had been completed according to the specifications approved by the Technical Evaluation Committee and the Procurement Committee. The Engineer should be certified that the reasonableness of the prices in paying based on the different specifications.
- It had not been provided a sufficient answer.
- (d) It had not been taken actions to issue 536 Grants signed by the president to the relevant beneficiaries even if a long period had been taken after receiving them to the divisional secretariat offices to give them to the farmers who is occupied and cultivated in state lands in 04 Divisional Secretariat Divisions such as Thirappane, Palugaswewa, Horowpothana and Mihintale.
- It is required to take necessary actions to distribute immediately the grants signed and sent by the Honourable President to the relevant owners.
- Several Grants had been issued to the Grant holders and the heritor among the undistributed Grants whereas the Grama Niladari Officers had been informed to take actions relating to the rest of Grants.
- (e) An outside third party have been unauthorised occupying in the land which the Building of Medawachchiya old Assistant Government Agent Office was located over a long period. The Land Commissioner is recommended to transfer 40 perch from that land on long term lease to the occupier according to the investigation carried out. However, the rest of the land could not be got free from that unauthorised occupier due to not taking actions according to.
- It should be taken actions to offer a long term lease for 40 perch and to get free the rest of the land from the relevant person according to the recommendations of the Land Commissioner.
- The occupier had been informed several times to transfer the ownership legally. It could not be fulfilled further actions due to delay of submission of application necessary for it. It had been taken actions to do the further activities according to the land survey carried out on 30 April 2019.
- (f) Loan Scheme implemented by Sri

Lanka Women Bureau.

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It had been implemented 06 loan schemes in the level of Divisional Secretariats of the District. A sum of Rs. 19,661,100 has been given as the initial fund. It had not been implemented a regular internal control system to recover these loans. The following observations are made relating to the loan schemes.

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| <p>(i) A total sum of Rs. 12,372,154 outstanding loan balance were there as at 31 December 2018 relating to Rs. 10,528,860 of Apeksha Loans, Rs.1,351,927 of Revolving Loans and Rs.491,366 of Projects Loan Scheme for empowering Widow and Head of Household Women.</p>   | <p>It should be arrange a sufficient programme to collect outstanding loan balances.</p>                | <p>It will be prepared a full report during the next month of time after testing the matter according to the discussion made in the last Audit and Management Committee Meeting.</p> |
| <p>(ii) District Women Affairs Development Officer has not been maintained details relating to amount of loans distributed among the District for Schemes of Livestock Loans, Fisheries Loans and Loan Scheme for Generating Alternative Income for Emigration Expected Women and details relating to progress of loan and interest recovery.</p> | <p>It should be maintained regular record in order to make feed backs relating to the Loan Schemes.</p> | <p>It is informed that the immediate actions are taken to maintain the regular records.</p>  |

#### 4. Achievement of Sustainable Development Goals

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Observation	Recommendation	Comments of the Accounting Officer
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A sufficient attention has not been made by the District Secretariat Office relating to the functions under their scope relating to the year under	It should be performed according to the "Agenda" 2030	I will take actions to implement in the future after

review whereas all public sector institutes should be performed according to the “Agenda” 2030 Sustainable Development Year of United Nations. Therefore, it could not be identified the evidences of including respective activities in their Annual Action Plan relating to the year under review and making available of sufficient provisions in their Annual Budget.

Sustainable Development Year of United Nations. conducting a programme to inform.

## 5. Good Governance

### 5.1 Accomplishing Services to the General Public

#### Observation

It had not been released 07 bank deposit account pass books of 03 Divisional Secretariat offices to the relevant owners even though the ages have been reached of the relevant minor account holders which are deposited for the children of the families when a death of a public officers and armed services officers.

#### Recommendation

It should be taken actions to release these pass books to the beneficiaries on time while maintaining registers and recognising the maturities of ages.

#### Comments of the Accounting Officer

It has been prepared a register now in order to facilitate for taking actions on time to hand over the pass books to the relevant minority account holders when they reach maturity of their ages.